Senate Bill No. 1987

CHAPTER 443

An act to amend Sections 35016 and 35221 of the Food and Agricultural Code, relating to milk.

[Approved by Governor September 11, 1996. Filed with Secretary of State September 12, 1996.]

LEGISLATIVE COUNSEL'S DIGEST

- SB 1987, M. Thompson. Milk products plant license: limited manufacturing permit.
- (1) Existing law requires any hotel, restaurant, boardinghouse, hospital, or other concern or agency that manufactures a product of milk for the use of any patron, guest, patient, or employee to obtain a milk products plant license.

This bill would require a hotel, restaurant, or boardinghouse that manufactures hard frozen or semifrozen dairy products for the use of any patron, guest, or employee to obtain a limited manufacturing permit, as specified. The bill also would specify that the fee for the permit shall be \$100 for the initial permit and \$100 for the annual renewal of the permit.

(2) Existing law imposes license fees for all frozen milk products, all imitation frozen milk products, and for semifrozen (soft-serve) milk products plants, and permit fees for limited packaging permits issued to licensed semifrozen (soft-serve) milk products plants in the amount of \$300 for the issuance of the initial permit and \$150 for the annual renewal of the permit.

Existing law also imposes a license fee for any other dairy product for which a license is required in the amount of \$100 for the calendar year for which the license is issued and a specified renewal fee.

This bill would repeal these latter provisions.

The people of the State of California do enact as follows:

SECTION 1. Section 35016 of the Food and Agricultural Code is amended to read:

- 35016. (a) Except as provided in subdivision (b), any hotel, restaurant, boardinghouse, hospital, or other concern or agency that manufactures a product of milk for the use of any patron, guest, patient, or employee shall obtain a milk products plant license.
- (b) (1) Any hotel, restaurant, or boardinghouse that manufactures hard frozen or semifrozen dairy products for the use of any patron, guest, or employee shall obtain a limited manufacturing permit from the secretary.

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(2) The permit may be issued only after the secretary determines that the facility is suitable for manufacturing those products.

- (3) A permit issued pursuant to this subdivision may be renewed annually, if the facility is found by the secretary, based on an onsite evaluation, to be in compliance with the conditions specified in paragraph (3) of subdivision (c).
- (c) A hotel, restaurant, or boardinghouse issued a limited manufacturing permit pursuant to this section shall meet all of the following standards:
- (1) The hard frozen and semifrozen dairy products manufactured shall be sold only to purchasers for consumption. No hard frozen or semifrozen product manufactured pursuant to the limited manufacturing permit shall be sold for resale.
- (2) The hard frozen and semifrozen dairy products shall be manufactured using prepasteurized dairy ingredients.
- (3) Adequate facilities, consistent with recognized manufacturing practices for the manufacture of hard frozen and semifrozen dairy products, as determined by the secretary, shall be provided as a condition of the limited manufacturing permit. The facilities shall include, but not be limited to, adequate utensil and container washing, sterilization and storage, and sufficient sanitary work areas, including handwashing facilities, dedicated to semifrozen manufacture of hard frozen and dairy Sanitation guidelines consistent with good manufacturing handling practices for retail food establishments manufacturing hard frozen and semifrozen dairy products in conformance with Part 110 (commencing with Section 110.3) of Title 21 of the Code of Federal Regulations shall be utilized by the secretary as a condition for issuance and renewal of the limited manufacturing permit.
- (4) The hotel, restaurant, or boardinghouse shall not manufacture more than 2,500 gallons of hard frozen or semifrozen dairy products during any year.
- (5) The secretary, by agreement with any approved milk inspection service, may authorize the service to inspect and enforce the requirements of this code applicable to the facility covered by this section. Any agreement shall provide that the approved inspection service shall collect the applicable fees for those establishments as provided in Sections 35221 and 38933. The fees so collected shall be retained by the approved inspection service to cover its cost of inspection and enforcement, but 15 percent of the fees collected shall be remitted by the approved inspection service to the secretary to cover the cost of administration.
- SEC. 2. Section 35221 of the Food and Agricultural Code is amended to read:
- 35221. (a) Every person that is engaged in the business of dealing in, receiving, manufacturing, freezing, or processing ice cream, ice milk, sherbet, or any similar frozen product, of

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manufacturing, freezing, or processing imitation ice cream, imitation ice milk, or any similar frozen product, or of processing any other dairy product for which a license is required, shall pay the following fees:

- (1) For a license for all frozen milk products and all imitation frozen milk products, one hundred dollars (\$100) for the calendar year for which the license is issued. The fee for the renewal of this license is one hundred dollars (\$100), plus one dollar (\$1) for each additional 10,000 gallons or fraction of 10,000 gallons over and above 20,000 gallons that were manufactured during the preceding year, ending December 31.
- (2) For a semifrozen (soft-serve) milk products plant license issued to persons making application under Section 33704, one hundred fifty dollars (\$150) for the calendar year for which the semifrozen (soft-serve) milk products plant license is issued. The fee for the renewal of this license is one hundred fifty dollars (\$150).
- (3) For a limited packaging permit issued to a licensed semifrozen (soft-serve) milk products plant making application under subdivision (b) of Section 33704, three hundred dollars (\$300) for issuance of the initial permit. The fee for the annual renewal of this permit is one hundred fifty dollars (\$150).
- (4) For a limited manufacturing permit issued to a hotel, restaurant, or boardinghouse pursuant to Section 35016, one hundred dollars (\$100) for the initial permit. The fee for the annual renewal of this permit shall be one hundred dollars (\$100).
- (5) For a person, except a hospital or sanitarium, that is engaged in the business of manufacturing any diabetic or dietetic frozen milk product or mix, one hundred dollars (\$100) for the calendar year for which a diabetic or dietetic frozen milk products license is issued. The fee for the renewal of this license is one hundred dollars (\$100).
- (b) The license and permit fees required by this section shall be prorated on a quarterly basis for any licensee or permittee that commences operations after the first quarter in any calendar year, regardless of whether or not the milk products plant was licensed or permitted during the preceding calendar year.